



## Legislation Text

---

**File #:** Res. 2021-004, **Version:** 1

---

**City Council Meeting Date:** January 19, 2021

**To:** Mayor and City Council  
City Administrator

**From:** Beth Kallestad, Program Coordinator

Consider a Resolution supporting federal legislation authorizing a federal, revenue-neutral, market-based fee on carbon in fossil fuels.

**Action Requested:**

The Northfield City Council adopts a resolution supporting federal legislation authorizing a federal, revenue-neutral, market-based fee on carbon in fossil fuels.

**Summary Report:**

At the October 21, 2020 Environmental Quality Commission (EQC) meeting, the EQC adopted a motion asking City Council to support federal legislation authorizing a federal, revenue-neutral, market-based fee on carbon in fossil fuels.

The Northfield City Council received a presentation on this topic at the January 12, 2021 City Council meeting.

The City of Northfield has acknowledged the importance of taking action on climate change, as shown by its continuing participation in Minnesota's Green Step Cities program, through implementation of the city Climate Action Plan (CAP), and through other measures. One of the elements of the CAP is to "plan for the elimination of fossil fuels in the community."

This resolution asks the federal government to put a fee on fossil fuels at the source (at the mine, well, or port of entry). This will drive down carbon pollution because energy companies, leading industries, and American consumers will move toward cleaner, cheaper options.

Many countries around the world put a price on carbon pollution. In our country, there is strong and growing support for a bipartisan approach to addressing climate change. A number of carbon pricing bills have been introduced in Congress by members of both parties. A majority of Americans think that fossil fuel companies should be required to pay a carbon tax.

Economists agree that putting a price on carbon is essential. The Economists Statement on Carbon Dividends is the largest public statement of economists in history. It states that a gradually rising carbon tax is the most effective way to reduce carbon emissions; that, because it is the most efficient way to reduce emissions, it will promote economic growth; and that the revenue raised by the tax should be returned to the people as carbon dividends. These "carbon dividends" will maintain the fairness and viability of the carbon fee. Most Americans will receive more in carbon dividends than they pay in increased energy costs. The poorest families will benefit

the most.

The resolution that is being considered is consistent with the recommendations of the Economists Statement on Carbon Dividends. These principles are also supported by many businesses and faith groups. Many municipalities have passed resolutions that call for a federal carbon fee and dividend.

This resolution includes action that will send a copy of the resolution to the delegations representing Northfield in both houses of the United States Congress, to the State Legislators representing Northfield, and to the Minnesota Governor. The resolution will convey to our members of Congress the knowledge that we in Northfield are working to reduce harm from climate change in our city; and that we want them to put in place a carbon fee and dividend at the national level.

Other Minnesota cities have adopted similar resolutions such as Red Wing and St. Paul.

**Alternative Options:**

Resolution is not adopted.

**Financial Impacts:**

Not applicable

**Tentative Timelines:**

Not applicable